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PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

| ADMINISTRATIVE MATTER | | DATE | June 06, 2018 |
|-----------------------|----------|------------|---------------|
| MOTOR CARRIER MATTER | | DOCKET NO. | 2017-381-A |
| UTILITIES MATTER | ✓ | ORDER NO. | 2018-404 |

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

<u>DOCKET NO. 2017-381-A</u> - <u>Office of Regulatory Staff's Petition for an Order Requiring Utilities</u> to Report the Impact of the Tax Cuts and Jobs Act - Staff Presents for Commission Consideration the Joint Petition for Rehearing or Reconsideration Filed on Behalf of Palmetto Utilities, Incorporated and Palmetto Wastewater Reclamation., LLC.

COMMISSION ACTION:

In their Joint Petition, Palmetto Utilities and Palmetto Wastewater Reclamation seek rehearing or reconsideration from Order No. 2018-308. They state that calculating and deferring the effects from the Federal Tax Cuts and Jobs Act in a regulatory liability account, as required by that Order, creates a situation of impermissible retroactive ratemaking to the extent that it may be required to refund lawfully collected rates to customers. The utilities also allege that it denies due process by reducing a lawful rate without notice and an opportunity to be heard, and they further argue the Order wrongly maintains that a just and reasonable utility rate may be determined with reference to a single expense, without consideration of the other expense components and authorized revenues.

This Commission has already granted reconsideration of Order No. 2018-252 in this Docket by Order No. 2018-370 (issued on June 1, 2018), and I move that we also grant reconsideration for the issues raised in the Joint Petition for Order No. 2018-308. Although I am not indicating by this motion any decision on the merits of the Companies' arguments, I move that this matter warrants additional consideration and the scheduling of oral arguments on the issues. Staff has been directed to set an argument date by Order No. 2018-370 when the affected companies can present their views, and I believe that these issues can be heard at that time.

| PRESIDING: | <u>Whitfield</u> | <u>i</u> | | SESSION: Regular | TIME: 2:00 p.m. |
|------------|------------------|----------|----------|------------------|-----------------|
| | MOTION | YES | NO OTHER | | |
| BOCKMAN | | ✓ | | | |
| ELAM | | ✓ | | | |
| FLEMING | ✓ | ✓ | | | |
| HAMILTON | | ✓ | | | |
| HOWARD | | ✓ | | | |
| RANDALL | | ✓ | | | |

WHITFIELD \square

(SEAL) RECORDED BY: J. Schmieding

